BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

July 16, 2004

IN RE:)
JOINT PETITION FOR ARBITRATION OF NEWSOUTH) DOCKET NO.
COMMUNICATIONS CORP, NUVOX COMMUNICATIONS,) 04-00046
INC., KMC TELECOM V, INC., KMC TELECOM III LLC, AND)
XSPEDIUS COMMUNICATIONS, LLC ON BEHALF OF ITS)
OPERATING SUBSIDIARIES XSPEDIUS MANAGEMENT CO.,)
SWITCHED SERVICES, LLC AND XSPEDIUS MANAGEMENT)
CO. OF CHATTANOOGA, LLC OF AN INTERCONNECTION)
AGREEMENT WITH BELLSOUTH TELECOMMUNICATIONS,)
INC.)

ORDER GRANTING JOINT MOTION TO HOLD PROCEEDING IN ABEYANCE AND ESTABLISHING REVISED PROCEDURAL SCHEDULE

This matter is before the Pre-Arbitration Officer pursuant to the *Joint Motion to Hold Proceeding in Abeyance* ("*Joint Motion*") filed by NewSouth Communications, Corp., NuVox Communications, Inc., KMC Telecom V, Inc., KMC Telecom III, LLC, and Xspedius Communications, LLC on behalf of its operating subsidiaries Xspedius Management Co. Switched Services, LLC, Xspedius Management Co. of Chattanooga, LLC ("Joint Petitioners") and BellSouth Telecommunications, Inc. ("BellSouth") on July 15, 2004.

The Pre-Arbitration Officer established a Procedural Schedule in this matter on May 25, 2004. In the *Joint Motion*, the Parties request that the proceeding in this Docket be held in abeyance for ninety (90) days, including the suspension of pending deadlines and consideration

The previous Pre-Arbitration Officer assigned to this Docket issued the Order establishing the Procedural Schedule. See Order Denving Motion in Part and Establishing Procedural Schedule (May 25, 2004)

of all pending motions until after October 1, 2004.² Contingent upon the grant of the *Joint Motion*, the Parties agree to waive the 9 month deadline required by 47 U.S.C. § 252(b)(4)(C) for final resolution of the arbitration by the Authority.³ The Parties also propose and request approval of a revised procedural schedule.

As support for the Joint Motion, the Parties state that they have engaged in this arbitration proceeding since February 11, 2004. On March 2, 2004, the United States Court of Appeals for the District of Columbia in United States Telecom Ass'n v. FCC, 359 F.3d 554 (D.C. Cir. 2004) ("USTA II") affirmed in part, and vacated and remanded in part, certain rules of the Federal Communications Commission ("FCC"). As a result, the Parties aver that, at this time, certain of the FCC's rules applicable to BellSouth's obligation to provide to Joint Petitioners network elements on an unbundled basis are vacated and the FCC is expected to issue new rules. Therefore, the Parties request the proposed abatement so they may consider how the post USTA II regulatory framework should be incorporated into the new agreements currently being arbitrated and to identify what arbitration issues may be impacted or need to be identified for arbitration. The Parties agree that no new issues may be raised in the arbitration proceeding other than those that result from their negotiations regarding the post USTA II regulatory framework. Within this framework, the Parties agree to avoid a separate process of negotiating change-of-law amendments to the current interconnection agreements to address USTA II and to continue operating under the current agreements until they are able to move into the new agreements that ensue from this proceeding. Finally, the Parties agree to continue efforts to reduce the number of issues already identified during the abatement period.

² In light of the proposed procedural schedule submitted jointly by the Parties, the Pre-Arbitration Officer deems the request for a 90 day abatement to be a request for abatement until October 1, 2004, a date less than 90 days from the date of the filing of the *Joint Motion*

³ The Parties already have confirmed their agreement to waive the nine (9) month deadline See Letter from Guy M Hicks to Hon Kim Beals, Prearbitration Officer (May 19, 2004)

The Pre-Arbitration Officer finds that, for the reasons stated by the Parties in the *Joint Motion*, the joint request of the Parties to hold this proceeding and filing deadlines in abeyance is well taken and the proceeding and deadlines should be suspended until October 1, 2004.

The Parties have also jointly requested a revised procedural schedule. As a result of the granting of the suspension of this proceeding until October 1, 2004, the request is well-taken and a revised procedural schedule is established as follows:

October 1, 2004	The Parties shall file with the TRA a revised Joint Issues Matrix representing the consensus of the Parties on all issues
October 22, 2004	Pre-filed Supplemental Direct Testimony shall be filed with the TRA and served on all Parties
November 12, 2004	Pre-filed Rebuttal Testimony shall by filed with the TRA and served on all Parties
November 19, 2004	A Status Conference will be held at 10:00 a.m. to set a schedule for any necessary Discovery and to set a schedule for the Hearing

All filings are due no later than 2:00 p.m. on the dates indicated.

IT IS THEREFORE ORDERED THAT:

1. The *Joint Motion* of the Parties requesting that the proceeding and filing deadlines in this matter be held in abeyance is granted and the proceeding and filing deadlines are suspended until October 1, 2004.

2. A revised Procedural Schedule is established as stated herein.

Jean A. Stone, Counsel